

AN ORDINANCE **97640**

AUTHORIZING THE SETTLEMENT OF THE LAWSUIT STYLED *CITY OF SAN ANTONIO V. PASEO DEL RIO JOINT VENTURE NO. 1 AND ZUNI, INC. D/B/A ZUNI GRILL*, CONCERNING A DISPUTE ABOUT OWNERSHIP OF PROPERTY ON THE RIVER WALK; APPROVING THE RULE 11 SETTLEMENT AGREEMENT SPECIFYING THE TERMS OF THE SETTLEMENT; AUTHORIZING THE EXECUTION OF LEASE AGREEMENT WITH THE DEFENDANT BUSINESS FOR TERMS OF TWENTY-FIVE YEARS AND APPROXIMATE TOTAL ANNUAL RENT FOR ALL THE APPROVED LEASES BEGINNING AT \$7,694.00.

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WHEREAS, since 1957, the City has leased portions of real property along the San Antonio River, known as the River Walk, to adjacent property owners and businesses; and

WHEREAS, in recent years, several adjacent property owners, including the business identified above, disputed the City's ownership of the River Walk, and ceased making rental payments to the City; and

WHEREAS, the River Walk was created by municipal planning and public works projects over a span of at least one hundred years for flood control, safety and the prevention of loss of life and property, for beautification and ultimate transformation into a unique city park that enhances the cultural diversity of San Antonio and promotes recreation and tourism; and

WHEREAS, it is essential for long range planning purposes for the City to preserve, protect and control the current and future use and development of the River Walk for the public good, through legal action if necessary, thus requiring continuing legal representation; and

WHEREAS, Ordinance No. 87294, passed and approved on January 29, 1998 authorized the selection of Goode, Casseb, & Jones, P.C. to provide legal services in connection with the City's efforts to confirm its ownership of the River-walk and collect past due rent from adjacent property owners; and

WHEREAS, After extensive discovery the attorneys for the City and the defendants reached agreement on terms for a settlement; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The rule 11 settlement agreement dated July 16, 2002 setting out settlement terms for the lawsuit styled *City of San Antonio v. Paseo Del Rio Joint Venture No. 1 and Zuni, Inc. d/b/a Zuni Grill* is hereby approved. The City Manager, or her designee, is hereby authorized to

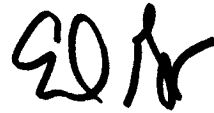
take any necessary administrative actions to complete the settlement of these lawsuits according to the terms of the rule 11 settlement agreement.

SECTION 2. The City Manager, or her designee, is hereby authorized to execute any necessary agreements outlined in the terms of the settlement agreement, including but not limited to a lease agreement for patio space for the term of twenty-five years.

SECTION 3. The proceeds of the agreement shall be deposited into Fund No. 40-000 entitled "Other Capital Projects Fund," Index Code 06695 1, entitled "Rivet-walk Restaurant Leases."

SECTION 4. This ordinance will become effective ten (10) days after the passage hereof.

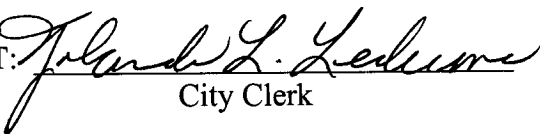
PASSED AND APPROVED this 22nd day of May, 2003.



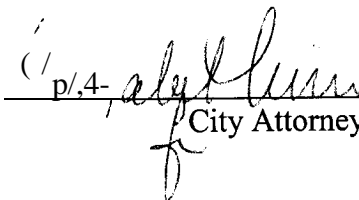
M A Y 0 R

EDWARD D. GARZA

ATTEST:


City Clerk

APPROVED AS TO FORM:


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City Attorney